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FM AMEMBASSY BUENOS AIRES  
TO RUEHC/SECSTATE WASHDC 5833  
INFO RUEHAC/AMEMBASSY ASUNCION 5653  
RUEHBO/AMEMBASSY BOGOTA 1395  
RUEHBR/AMEMBASSY BRASILIA 5478  
RUEHCV/AMEMBASSY CARACAS 0953  
RUEHGT/AMEMBASSY GUATEMALA 0148  
RUEHLP/AMEMBASSY LA PAZ SEP LIMA 1856  
RUEHMU/AMEMBASSY MANAGUA 0035  
RUEHME/AMEMBASSY MEXICO 1160  
RUEHMN/AMEMBASSY MONTEVIDEO 5769  
RUEHOT/AMEMBASSY OTTAWA 0399  
RUEHZP/AMEMBASSY PANAMA 0204  
RUEHFR/AMEMBASSY PARIS 1127  
RUEHQT/AMEMBASSY QUITO 0751  
RUEHSJ/AMEMBASSY SAN JOSE 0462  
RUEHSN/AMEMBASSY SAN SALVADOR 0097  
RUEHSG/AMEMBASSY SANTIAGO 5262  
RUEHDG/AMEMBASSY SANTO DOMINGO 0217  
RUEHTG/AMEMBASSY TEGUCIGALPA 0085  
RUEHSO/AMCONSUL SAO PAULO 2965  
RUEAIIA/CIA WASHINGTON DC  
RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RHMFISS/HQ USSOUTHCOM MIAMI FL  
RHEHNSC/NATIONAL SECURITY COUNCIL WASHINGTON DC  
RUCPDOG/USDOC WASHDC

UNCLAS BUENOS AIRES 002038

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E FOR THOMAS PIERCE, WHA FOR WHA/BSC AND WHA/EPSC  
PASS NSC FOR JOSE CARDENAS  
PASS FED BOARD OF GOVERNORS FOR PATRICE ROBITAILLE  
EX-IM BANK FOR MICHELE WILKINS  
OPIC FOR GEORGE SCHULTZ AND RUTH ANN NICASTRI  
PASS USTR FOR SUE CRONIN AND MARY SULLIVAN  
TREASURY FOR AFAIBISHENKO, AJEWELL  
USDOC FOR ALEXANDER PEACHER AND JOHN ANDERSEN  
US SOUTHCOM FOR POLAD

E.O. 12958: N/A  
TAGS: [EFIN](#) [ECON](#) [ETRD](#) [AR](#)  
SUBJECT: U.S. NO VOTE ON IDB SATELLITE LOAN: EMBASSY  
DEMARCHE

REF: STATE 147037

¶1. (U) Post delivered reftel talking points to Foreign Ministry North America Director Ambassador Vicente Espeche Gil, to Ministry of Economy Director for International Organization Projects Gerardo Hita and to the Foreign Ministry's CONAE (NASA-equivalent) Executive Director Conrado Varotto. Prior to the IDB vote, the gist of these points had been conveyed by Charge to Deputy Foreign Minister Roberto Garcia Moriton.

¶2. (SBU) GoA officials took on board our points that the U.S. no vote on the IDB satellite project does not/not reflect a change in U.S. policy towards Argentina but rather a belief that MDBs should focus their resources on countries' more immediate development needs. The GoA, however, appeared not to accept this argument. The Foreign Ministry took the unusual step of issuing a September 6 public statement expressing satisfaction with the IDB decision; regretting views expressed by "certain" BID member countries; hoping for an "evolution" in these member countries' views to recognize the significant impact high technology efforts can have on broad social and economic development objectives; and casting

the satellite project as an ambitious joint effort with Italy that will contribute to the global catastrophe early warning and prevention system. CONAE's Varotto told Emboff the U.S. vote "will make my life difficult." He explained that, while all of Argentina's space projects are designed to promote economic and social development, this development message will now be more difficult to convey to those in the GoA who determine the space agency's budget.

13. (SBU) The media has uniformly cast this as a negative vote and a negative signal from the United States to Argentina, the result of tensions in the bilateral relationship. Journalists clearly obtained and noted official U.S. statements, but lent them little weight as the real rationale for the decision.

MATERA